

Office of Personnel Management

§ 870.510

begins on or after the effective date set by OPM and that follows a pay period during which the employee was in pay and duty status for at least 32 hours, unless OPM announces otherwise. If the employee does not file an election within this 60-day time limit, he or she will be considered to have waived coverage.

[75 FR 60579, Oct. 1, 2010]

§ 870.508 Nonpay status.

(a) An employee who is in nonpay status is entitled to continue life insurance for up to 12 months. No premium payments are required, unless the employee is receiving compensation.

(b) If an insured employee who is entitled to free insurance while in nonpay status accepts a temporary appointment to a position in which he or she would normally be excluded from insurance coverage, the insurance continues. The amount of Basic insurance (and Option B coverage if the employee has it) is based on the combined salaries of the two positions. Withholdings are made from the employee's pay in the temporary position.

(c) If an insured employee goes on leave without pay (LWOP) to serve as a full-time officer or employee of an employee organization, he or she may elect in writing to continue life insurance within 60 days after the beginning of the LWOP. The insurance continues for the length of the appointment, even if the LWOP lasts longer than 12 months. The employee must pay to the employing office the full cost of Basic and Optional insurance starting with the beginning of the nonpay status; the employee is not entitled to 12 months of free coverage. There is no Government contribution for these employees.

(d) If an insured employee goes on LWOP while assigned to a State government, local government, or institution of higher education, the employee may elect in writing to continue the life insurance for the length of the assignment, even if the LWOP lasts longer than 12 months. The employee must pay his or her premiums to the Federal agency on a current basis starting with the beginning of the nonpay status; the employee is not entitled to 12 months of free coverage. The agency must continue to pay its con-

tribution as long as the employee makes his or her payments.

[75 FR 60579, Oct. 1, 2010]

§ 870.509 Transfers to international organizations.

An employee transferred to an international organization may continue life insurance coverage as provided in 5 U.S.C. 3582. Regulations governing these transfers are in part 352 of this title.

§ 870.510 Continuation of eligibility for former Federal employees of the Civilian Marksmanship Program.

(a) A Federal employee who was employed by the Department of Defense to support the Civilian Marksmanship Program as of the day before the date of the transfer of the Program to the Corporation for the Promotion of Rifle Practice and Firearms Safety, and was offered and accepted employment by the Corporation as part of the transition described in section 1612(d) of Public Law 104-106, 110 Stat. 517, is deemed to be an employee for purposes of this part during continuous employment with the Corporation unless the individual files an election under § 831.206(c) or § 842.109(c) of this title. Such a covered individual is treated as if he or she were a Federal employee for purposes of this part, and of any other part within this title relating to FEGLI. The individual is entitled to the benefits of, and is subject to all conditions under, FEGLI on the same basis as if the individual were an employee of the Federal Government.

(b) Cessation of employment with the Corporation for any period terminates eligibility for coverage under FEGLI as an employee during any subsequent employment by the Corporation.

(c) The Corporation must withhold from the pay of an individual described by paragraph (a) of this section an amount equal to the premiums withheld from the pay of a Federal employee for FEGLI coverage and, in accordance with procedures established by OPM, pay into the Employees' Life Insurance Fund the amounts deducted from the individual's pay.

(d) The Corporation must, in accordance with procedures established by

OPM, pay into the Employees' Life Insurance Fund amounts equal to any agency contributions required under FEGLI.

[74 FR 66566, Dec. 16, 2009]

Subpart F—Termination and Conversion

§ 870.601 Termination of Basic insurance.

(a) Except as otherwise provided in this section or § 870.701, the Basic insurance of an insured employee stops on the date the employee separates from service, subject to a 31-day extension of coverage. *Exception:* If the employee was employed by the Architect of the Capitol as a Senate Restaurants employee the day before the food services operations of the Senate Restaurants were transferred to a private business concern and the employee accepted employment by the business concern and elected to continue his or her Federal retirement benefits and FEGLI coverage, the employee continues to be eligible for FEGLI coverage as long as he or she remains employed by the business concern or its successor.

(b) The Basic insurance of an employee who separates from service after meeting the requirement for an immediate annuity under § 842.204(a)(1) of this chapter and who postpones receiving the annuity, as provided by § 842.204(c) of this chapter (an MRA+10 annuity), stops on the date he or she separates from service, subject to a 31-day extension of coverage.

(c) The Basic insurance of an insured employee who moves without a break in service to a position in which he or she is excluded from life insurance stops on the last day of employment in the former position, subject to a 31-day extension of coverage. *Exception:* If the position is excluded by regulation (not by law), and the employee does not have a break in service of more than three days, the Basic insurance continues.

(d)(1) Except as provided in § 870.701, the Basic insurance of an insured employee who is in nonpay status stops on the date the employee completes 12 months in nonpay status, subject to a 31-day extension of coverage. The 12

months' nonpay status may be broken by periods of less than 4 consecutive months in pay status. If an employee has at least 4 consecutive months in pay status after a period of nonpay status, he or she is entitled to begin the 12 months' continuation of Basic insurance again. If an employee has used up his or her 12 months' continuation in nonpay status and returns to duty for less than 4 consecutive months, his or her Basic insurance stops on the 32nd day after the last day of the last pay period in pay status.

(2) For the purpose of paragraph (d)(1) of this section, 4 consecutive months in pay status means any 4-month period during which the employee is in pay status for at least part of each pay period.

(3)(i) For the purpose of paragraph (d)(1) of this section, an individual who is entitled to benefits under part 353 of this chapter (USERRA—Uniformed Services Employment and Reemployment Act of 1994), who separates to go on military duty instead of going into a nonpay status, is treated as an employee in nonpay status for life insurance purposes.

(ii) Basic insurance continues free for 12 months or until 90 days after military service ends, whichever comes first.

(iii) Effective January 28, 2008, an employee who enters on active duty, or active duty for training in one of the uniformed services for more than 30 days, may continue enrollment for an additional 12 months, for a total of up to 24 months.

(A) Each agency must notify its employees of the opportunity to elect to continue coverage for the additional 12 months.

(B) An employee wanting coverage for the additional 12 months must elect it prior to the end of the first 12 months in nonpay status, in a manner designated by the employing agency.

(C) Insurance continues free for the first 12 months; however, an employee must pay both the employee and agency share of premiums to the agency on a current basis for Basic coverage, and must pay the entire cost (there is no agency share) for any Optional insurance for the additional 12 months of coverage elected.